



PSC NEWS

Missouri Public Service Commission

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NATURAL GAS RATES TO CHANGE FOR LACLEDE GAS COMPANY CUSTOMERS UNDER SCHEDULED NATURAL GAS FILING

Jefferson City (June 14, 2004)---To reflect estimated changes in the cost of natural gas for the remaining summer season, natural gas rates will increase for Laclede Gas Company customers under a scheduled filing reviewed and accepted by the Missouri Public Service Commission. This rate change, which is interim subject to refund, will take effect on June 14, 2004.

A residential customer currently pays \$0.62596 per therm (per 100 cubic feet of gas). Under this filing, the rate will increase to \$0.71623 per therm, an increase of 9 cents per therm. The effect of the proposed rate on a typical residential customer's natural gas bill for the remaining summer season will be an approximate increase of \$15 when compared to rates currently in effect.

Approximately 60% to 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission.** The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Laclede Gas Company serves approximately 636,215 natural gas customers in the City of St. Louis as well as the Missouri counties of St. Louis, St. Charles, Butler, Iron, Franklin, Jefferson, Madison, St. Francois and Ste. Genevieve.